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SENATE BILL 700

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Shannon Robinson

AN ACT

RELATING TO TAXATION; PROVIDING AN EXEMPTION FROM GROSS RECEIPTS FOR PROFESSIONAL PROMOTION ACTIVITIES; INCREASING THE RATE OF A PRIVILEGE TAX; ESTABLISHING A PER-EVENT CEILING ON CERTAIN TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of Chapter 7, Article 9 NMSA 1978 is enacted to read:

"~~[NEW MATERIAL]~~ EXEMPTION--PROMOTION OF PROFESSIONAL CONTESTS.--Exempted from the gross receipts tax are receipts of promotion of live professional boxing contests subject to the privilege tax imposed by Section 60-2A-23 NMSA 1978."

Section 2. Section 60-2A-23 NMSA 1978 (being Laws 1980, Chapter 90, Section 23, as amended) is amended to read:

"60-2A-23. PRIVILEGE TAX ON PROMOTIONS.--

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1 A. In addition to any other taxes or fees provided
2 by law, there is imposed upon every promoter for the privilege
3 of promoting professional contests a tax at the rate of [~~four~~]
4 five percent of the total gross receipts of any professional
5 contest conducted live in New Mexico.

6 B. The commission shall adopt rules and regulations
7 for the administration, collection and enforcement of the tax
8 imposed in this section.

9 C. As used in this section, "total gross receipts
10 of any professional contest" includes:

11 (1) the gross price charged for the sale,
12 lease or other exploitation of broadcasting, television or
13 motion picture rights of [~~such~~] the professional contest
14 without any deductions for commissions, brokerage fees,
15 distribution fees, advertising or other expenses or charges;

16 (2) the face value of all tickets sold and
17 complimentary tickets issued; and

18 (3) any sums received as consideration for
19 holding a professional contest at a particular location. "

20 Section 3. Section 60-2A-26 NMSA 1978 (being Laws 1980,
21 Chapter 90, Section 26, as amended) is amended to read:

22 "60-2A-26. PRIVILEGE TAX ON CLOSED-CIRCUIT TELECASTS OR
23 MOTION PICTURES--REPORT TO COMMISSION. --

24 A. Any person who charges and receives an admission
25 fee for exhibiting any live professional contest on a closed-

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[bracketed material] = delete

1 circuit telecast or motion picture shall, within seventy-two
2 hours after the event, furnish to the commission a verified
3 written report on a form prescribed by the commission showing
4 the number of tickets sold and issued or sold or issued and the
5 gross receipts for the exhibition without any deductions.

6 B. There is imposed a tax upon the privilege of
7 exhibiting for an admission fee any live professional contest
8 ~~[except a live professional boxing contest held in New Mexico~~
9 ~~between the effective date of this 1997 act and July 1, 1999]~~
10 on a closed-circuit telecast or motion picture. The rate of
11 the tax imposed is five percent of the gross receipts, up to
12 one million dollars (\$1,000,000) in receipts, derived from the
13 exhibition. No tax shall be imposed on receipts over that
14 amount.

15 C. The privilege tax imposed in this section shall
16 be administered, collected, enforced and the proceeds deposited
17 as provided in Section 60-2A-24 NMSA 1978. "